

AMENDED IN SENATE MAY 15, 2013

AMENDED IN SENATE MAY 6, 2013

AMENDED IN SENATE APRIL 23, 2013

AMENDED IN SENATE APRIL 17, 2013

AMENDED IN SENATE FEBRUARY 25, 2013

SENATE BILL

No. 2

Introduced by Senators Lieu and Yee

December 3, 2012

An act to amend Sections ~~84101, 84103, 84107, 84200, 84200.6, 84202.3, 84215, 84218, 84252, 84305.5, 84510, 85701, 85704, 90002, 90003, 91000, 91005, 91005.5, and 91013~~ of, *and* to add Sections ~~84200.1, 84202.8, 84202.9, and Section 84503.5~~ to, to repeal Sections ~~84200.7, 84200.8, 84202.5, and 84202.7~~ of, and to repeal and add Section ~~84200.5~~ of, the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

SB 2, as amended, Lieu. Political Reform Act of 1974.

(1) Existing law, the Political Reform Act of 1974, provides for the comprehensive regulation of campaign financing, including requiring the reporting of campaign contributions and expenditures and imposing other reporting and recordkeeping requirements on campaign committees. ~~Existing law makes a knowing or willful violation of the act a misdemeanor and subjects offenders to criminal penalties. The act requires elected officers, candidates, committees, and state mailer organizations to file semiannual reports, preelection statements, and supplemental preelection statements. The act also imposes~~

administrative, civil, and criminal fines and penalties for violations of its provisions.

~~This bill would repeal these reporting requirements. This bill would establish quarterly statements, monthly statements, preelection statements, postelection statements, and year-end statements for filing, as specified.~~

~~This bill would increase the fines for improperly reporting laundered or earmarked contributions to include a fine to be deposited into the Political Disclosure, Accountability, Transparency, and Access Fund, as specified. The bill would also increase the fines and penalties imposed on campaign statements and reports that are filed late *certain administrative, civil, and criminal fines and penalties imposed by the act, as specified.*~~

(2) The act also regulates advertisements, which are defined as any general or public advertisement that is authorized and paid for by a person or committee for the purpose of supporting or opposing a candidate for elective office or a ballot measure or ballot measures. The act places certain disclosure requirements on advertisements. In addition to other penalties imposed by the act, a fine of up to triple the amount of the cost of an advertisement can be imposed on a person who violates the disclosure requirements for advertisements.

This bill would require that television, video, or audio broadcast advertisements supporting or opposing a candidate or soliciting contributions in support of that purpose that are authorized by a candidate include a specified disclosure statement made by the candidate.

The bill would increase the maximum penalty for a violation of these provisions to 6 times the amount of the costs of the advertisement.

(3) The act regulates mass mailings, known as slate mailers, that support or oppose multiple candidates or ballot measures for an election. The act requires that each slate mailer identify the slate mailer organization or committee primarily formed to support or oppose one or more ballot measures that is sending the slate mailer, and to contain other specified information in specified formatting. The act requires that each candidate and each ballot measure that has paid to appear in the slate mailer be designated by an asterisk.

This bill would additionally require that a candidate or ballot measure appearing in the slate mailer as a result of a payment made by a 3rd party be designated by an “@,” and would require the notice to voters included on a slate mailer be revised to describe this new requirement.

The bill would require that a slate mailer that is produced in a language other than English provide the notice to voters in that same language. The bill would require that a slate mailer provide the notice in both English and another language if a substantial portion of a slate mailer is produced in the other language.

(4) The act requires a ballot measure committee, within 30 days of designating the numerical order of propositions appearing on the ballot, to identify itself as committee for or against that numbered proposition in all required references.

This bill would reduce the amount of time in which a ballot measure committee must reference itself as a committee for or against a numbered proposition to within 10 days of designating the numerical order of propositions.

(5) The act is administered and enforced by the Fair Political Practices Commission. The act authorizes the Commission to perform discretionary investigations and audits with respect to campaign and lobbying reports and statements that are filed with the Secretary of State. The act also authorizes any person residing in the jurisdiction to sue for injunctive relief to prevent violations or compel compliance with the act.

This bill would specify that the Commission may perform audits prior to the date of the election and prior to the date that a statement or report is required to be filed. The bill would authorize a person to challenge an audit by the Commission or any order resulting from an audit by seeking a writ of mandate, which would take priority over all other civil matters. The bill would specify that the Commission is authorized to seek an injunction to prevent a violation of or compel compliance with the act.

(6) The act makes a knowing or willful violation of its provisions a misdemeanor and subjects offenders to criminal penalties.

By expanding the scope of an existing crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(7) The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes

upon a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 84101 of the Government Code is~~
2 ~~amended to read:~~

3 ~~84101. (a) A committee that is a committee by virtue of~~
4 ~~subdivision (a) of Section 82013 shall file a statement of~~
5 ~~organization. The committee shall file the original of the statement~~
6 ~~of organization with the Secretary of State and shall also file a~~
7 ~~copy of the statement of organization with the local filing officer,~~
8 ~~if any, with whom the committee is required to file the originals~~
9 ~~of its campaign reports pursuant to Section 84215. The original~~
10 ~~and copy of the statement of organization shall be filed within 10~~
11 ~~days after the committee has qualified as a committee. The~~
12 ~~Secretary of State shall assign a number to each committee that~~
13 ~~files a statement of organization and shall notify the committee of~~
14 ~~the number. The Secretary of State shall send a copy of statements~~
15 ~~filed pursuant to this section to the county elections official of each~~
16 ~~county that he or she deems appropriate. A county elections official~~
17 ~~who receives a copy of a statement of organization from the~~
18 ~~Secretary of State pursuant to this section shall send a copy of the~~
19 ~~statement to the clerk of each city in the county that he or she~~
20 ~~deems appropriate.~~

21 ~~(b) In addition to filing the statement of organization as required~~
22 ~~by subdivision (a), if a committee qualifies as a committee under~~
23 ~~subdivision (a) of Section 82013 before the date of an election in~~
24 ~~connection with which the committee is required to file preelection~~
25 ~~statements, but after the closing date of the last campaign statement~~
26 ~~required to be filed before the election pursuant to Section 84200.5~~
27 ~~or 84200.9, the committee shall file, by facsimile transmission,~~
28 ~~guaranteed overnight delivery, or personal delivery within 24 hours~~
29 ~~of qualifying as a committee, the information required to be~~
30 ~~reported in the statement of organization. The information required~~
31 ~~by this subdivision shall be filed with the filing officer with whom~~

1 the committee is required to file the originals of its campaign
2 reports pursuant to Section 84215.

3 (e) If an independent expenditure committee qualifies as a
4 committee pursuant to subdivision (a) of Section 82013 during the
5 time period described in Section 82036.5 and makes independent
6 expenditures of one thousand dollars (\$1,000) or more to support
7 or oppose a candidate or candidates for office, the committee shall
8 file, by facsimile transmission, online transmission, guaranteed
9 overnight delivery, or personal delivery within 24 hours of
10 qualifying as a committee, the information required to be reported
11 in the statement of organization. The information required by this
12 section shall be filed with the filing officer with whom the
13 committee is required to file the original of its campaign reports
14 pursuant to Section 84215, and shall be filed at all locations
15 required for the candidate or candidates supported or opposed by
16 the independent expenditures. The filings required by this section
17 are in addition to filings that may be required by Sections 84203.5
18 and 84204.

19 (d) For purposes of this section, in calculating whether one
20 thousand dollars (\$1,000) in contributions has been received,
21 payments for a filing fee or for a statement of qualifications to
22 appear in a sample ballot shall not be included if these payments
23 have been made from the candidate's personal funds.

24 SEC. 2. Section 84103 of the Government Code is amended
25 to read:

26 84103. (a) Whenever there is a change in any of the
27 information contained in a statement of organization, an
28 amendment shall be filed within 10 days to reflect the change. The
29 committee shall file the original of the amendment with the
30 Secretary of State and shall also file a copy of the amendment with
31 the local filing officer, if any, with whom the committee is required
32 to file the originals of its campaign reports pursuant to Section
33 84215.

34 (b) In addition to filing an amendment to a statement of
35 organization as required by subdivision (a), a committee as defined
36 in subdivision (a) of Section 82013 shall, by facsimile transmission,
37 online transmission, guaranteed overnight delivery, or personal
38 delivery within 24 hours, notify the filing officer with whom it is
39 required to file the originals of its campaign reports pursuant to
40 Section 84215 when the change requiring the amendment occurs

1 before the date of the election in connection with which the
2 committee is required to file a preelection statement, but after the
3 closing date of the last preelection statement required to be filed
4 for the election pursuant to Section 84200.5, if any of the following
5 information is changed:

- 6 (1) ~~The name of the committee.~~
- 7 (2) ~~The name of the treasurer or other principal officers.~~
- 8 (3) ~~The name of any candidate or committee by which the~~
9 ~~committee is controlled or with which it acts jointly.~~

10 The notification shall include the changed information, the date
11 of the change, the name of the person providing the notification,
12 and the committee's name and identification number.

13 A committee may file a notification online only if the appropriate
14 filing officer is capable of receiving the notification in that manner.

15 *SECTION 1. (a) The Legislature finds and declares all of the*
16 *following:*

17 *(1) The schedule by which elected officers, candidates,*
18 *committees, and slate mailer organizations are required to file*
19 *campaign statements should serve the goals of increased*
20 *transparency and simplified campaign disclosure requirements.*

21 *(2) The public benefits from transparency and timely disclosure*
22 *of information about contributions and expenditures.*

23 *(3) Candidates and campaigns benefit from a simple, easily*
24 *understood reporting schedule without a proliferation requirements*
25 *for special reports.*

26 *(4) A state filing schedule similar to that required in federal*
27 *campaigns can reduce the complexity of filing requirements for*
28 *some candidates and committees.*

29 *(b) It is the intent of the Legislature to enact legislation to*
30 *establish a schedule with more frequent, but more regular,*
31 *campaign statements that provide information when the public*
32 *most needs it and when it is most useful for enforcement of the*
33 *requirements of the Political Reform Act of 1974.*

34 ~~SEC. 3.~~

35 *SEC. 2.* Section 84107 of the Government Code is amended
36 to read:

37 84107. Within 10 days of the designation of the numerical
38 order of propositions appearing on the ballot, any committee which
39 is primarily formed to support or oppose a ballot measure, shall,
40 if supporting the measure, include the statement, "a committee for

1 Proposition _____,” or, if opposing the measure, include the
2 statement, “a committee against Proposition _____,” in any reference
3 to the committee required by law.

4 SEC. 4. ~~Section 84200 of the Government Code is amended~~
5 ~~to read:~~

6 ~~84200. (a) Except as otherwise provided in this section and~~
7 ~~Section 84200.1, elected officers, candidates, committees, and~~
8 ~~slate mailer organizations shall file quarterly statements each year;~~
9 ~~as follows:~~

10 ~~(1) No later than April 15 for the period ending March 31.~~

11 ~~(2) No later than July 15 for the period ending June 30.~~

12 ~~(3) No later than October 15 for the period ending September~~
13 ~~30.~~

14 ~~(4) No later than January 15 for the period ending December~~
15 ~~31.~~

16 ~~(b)~~

17 ~~—A candidate who, during the past three months has filed a~~
18 ~~declaration pursuant to Section 84206 shall not be required to file~~
19 ~~a quarterly statement for that three-month period.~~

20 ~~(c)~~

21 ~~—Elected officers whose salaries are less than two hundred dollars~~
22 ~~(\$200) a month, judges, judicial candidates, and their controlled~~
23 ~~committees shall not file quarterly statements pursuant to this~~
24 ~~subdivision for any three-month period in which they have not~~
25 ~~made or received any contributions or made any expenditures.~~

26 ~~(d)~~

27 ~~—A judge who is not listed on the ballot for reelection to, or recall~~
28 ~~from, any elective office during a calendar year shall not file~~
29 ~~quarterly statements pursuant to this subdivision for any~~
30 ~~three-month period in that year if both of the following apply:~~

31 ~~(1) The judge has not received any contributions.~~

32 ~~(2) The only expenditures made by the judge during the calendar~~
33 ~~year are contributions from the judge’s personal funds to other~~
34 ~~candidates or committees totaling less than one thousand dollars~~
35 ~~(\$1,000).~~

36 ~~(e)~~

37 ~~—A candidate, committee, or slate mailer organization that is~~
38 ~~subject to the requirements of Section 84200.1 to file monthly~~
39 ~~statements during an even-numbered year shall not be required to~~
40 ~~file quarterly statements during an even-numbered year.~~

1 SEC. 5. ~~Section 84200.1 is added to the Government Code, to~~
2 ~~read:~~

3 ~~84200.1. (a) (1) Except as provided in paragraph (2), during~~
4 ~~each even-numbered year, the following entities shall file a monthly~~
5 ~~statement no later than the 20th day after the conclusion of each~~
6 ~~calendar month for the period covering that calendar month:~~

7 ~~(A) A ballot measure committee.~~

8 ~~(B) A slate mailer organization.~~

9 ~~(C) A committee not controlled by a candidate, if the candidate~~
10 ~~for whom the committee is primarily formed to support or oppose~~
11 ~~will appear on the ballot for the primary or general election held~~
12 ~~in that even-numbered year.~~

13 ~~(D) A candidate for statewide elective office and the candidate's~~
14 ~~controlled committees, if the candidate for statewide elective office~~
15 ~~will appear on the ballot for the primary or general election held~~
16 ~~in that even-numbered year.~~

17 ~~(2) An entity identified in paragraph (1) shall not be required~~
18 ~~to file a monthly statement for the period covering any month that~~
19 ~~is reported, in its entirety, in a postelection statement required~~
20 ~~pursuant to Section 84202.8.~~

21 ~~(b) During each odd-numbered year in which an election occurs,~~
22 ~~the following entities shall file a monthly statement for the period~~
23 ~~covering each month in which the entity has spent one thousand~~
24 ~~dollars (\$1,000) or more to support or oppose a candidate or ballot~~
25 ~~measure in that election:~~

26 ~~(1) A ballot measure committee primarily formed to support or~~
27 ~~oppose a ballot measure appearing on the ballot for the election.~~

28 ~~(2) A slate mailer organization that produces a slate mailer~~
29 ~~supporting or opposing candidates or ballot measures appearing~~
30 ~~on the ballot for the election.~~

31 ~~(3) A committee not controlled by a candidate, if the candidate~~
32 ~~for whom the committee is primarily formed to support or oppose~~
33 ~~will appear on the ballot for the election.~~

34 ~~(4) A candidate for statewide elective office and the candidate's~~
35 ~~controlled committees, if the candidate for statewide elective office~~
36 ~~will appear on the ballot for the election.~~

37 ~~(c) (1) An elected official, candidate, committee, or slate mailer~~
38 ~~organization may elect to file monthly statements in the manner~~
39 ~~required by this section in lieu of filing quarterly statements~~
40 ~~required by Section 84200. Candidates and committees for state~~

1 elective offices and state ballot measures that elect to file monthly
2 statements shall file a statement in writing to that effect with the
3 Commission and the Secretary of State. Candidates and committees
4 for local elective offices and local ballot measures that elect to file
5 monthly statements shall file a statement in writing to that effect
6 with the local filing officer.

7 (2) ~~An entity that elects to file monthly statements in lieu of~~
8 ~~quarterly statements shall file the monthly statement commencing~~
9 ~~with the month in which the notification is filed, continuing each~~
10 ~~month thereafter, and ending in December following the next~~
11 ~~regularly scheduled statewide general election.~~

12 SEC. 6. ~~Section 84200.5 of the Government Code is repealed.~~

13 SEC. 7. ~~Section 84200.5 is added to the Government Code, to~~
14 ~~read:~~

15 ~~84200.5. In addition to the campaign statements required by~~
16 ~~Sections 84200 and 84200.1, elected officers, candidates, and~~
17 ~~committees shall file preelection statements as follows:~~

18 (a) ~~Each of the following shall file a preelection statement no~~
19 ~~later than 12 days before an election for the period ending 17 days~~
20 ~~before the election:~~

21 (1) ~~All candidates for elective office being voted upon at an~~
22 ~~election, their controlled committees, and committees primarily~~
23 ~~formed to support or oppose a candidate or a measure being voted~~
24 ~~upon at the election.~~

25 (2) ~~All elected state officers who, during the period covered by~~
26 ~~the preelection statement, make a contribution to any committee.~~

27 (3) ~~All candidates for an office that is not being voted upon at~~
28 ~~the election, their controlled committees, and any committee~~
29 ~~primarily formed to support or oppose those candidates, if, during~~
30 ~~the reporting period covered by the preelection statement, the~~
31 ~~candidate or committee makes an independent expenditure or~~
32 ~~makes a contribution to a committee.~~

33 (4) ~~A state or county general purpose committee formed~~
34 ~~pursuant to subdivision (a) or (b) of Section 82013, other than a~~
35 ~~political party committee as defined in Section 85205, if it makes~~
36 ~~contributions or independent expenditures totaling five hundred~~
37 ~~dollars (\$500) or more during the period covered by the preelection~~
38 ~~statement. A state or county general purpose committee formed~~
39 ~~pursuant to subdivision (c) of Section 82013 is not required to file~~
40 ~~a preelection statement.~~

~~(5) A political party committee as defined in Section 85205, if the committee receives contributions totaling one thousand dollars (\$1,000) or more, or if it makes contributions or independent expenditures totaling five hundred dollars (\$500) or more, during the period covered by the preelection statement.~~

~~(6) A city general purpose committee, if it makes contributions or independent expenditures totaling five hundred dollars (\$500) or more in connection with a city election during the period covered by the preelection statement.~~

~~(b) During the election period for the Board of Administration of the Public Employees' Retirement System or the Teachers' Retirement Board, all candidates for election to these boards, their controlled committees, and committees primarily formed to support or oppose the candidates, shall file a preelection statement as specified in Section 84200.9.~~

~~(c) Each preelection statement filed pursuant to subdivision (a) shall be filed by guaranteed overnight delivery service, personal delivery, or online or electronic transmission with each office with which the candidate or committee is required to file its next campaign statement pursuant to Section 84215.~~

~~SEC. 8. Section 84200.6 of the Government Code is amended to read:~~

~~84200.6. In addition to the campaign statements required by Sections 84200, 84200.1, and 84200.5, all candidates and committees shall file the following special statements and reports:~~

~~(a) Postelection campaign statements when required by Section 84202.8.~~

~~(b) Yearend campaign statements when required by Section 84202.9.~~

~~(c) Late contribution reports when required by Section 84203.~~

~~(d) Independent expenditure reports when required by Section 84203.5.~~

~~(e) Late independent expenditure reports when required by Section 84204.~~

~~SEC. 9. Section 84200.7 of the Government Code is repealed.~~

~~SEC. 10. Section 84200.8 of the Government Code is repealed.~~

~~SEC. 11. Section 84202.3 of the Government Code is amended to read:~~

~~84202.3. (a) In addition to the campaign statements required by Section 84200.1, committees pursuant to subdivision (a) of~~

1 Section 82013 that are primarily formed to support or oppose the
2 qualification, passage, or defeat of a measure and proponents of a
3 state ballot measure who control a committee formed or existing
4 primarily to support the qualification, passage, or defeat of a state
5 ballot measure, shall file campaign statements on the following
6 dates:

7 (1) ~~No later than April 30 for the period January 1 through~~
8 ~~March 31.~~

9 (2) ~~No later than October 31 for the period July 1 through~~
10 ~~September 30.~~

11 (b) ~~This section shall not apply to a committee during any period~~
12 ~~in which the committee is required to file preelection statements~~
13 ~~pursuant to Section 84200.5.~~

14 (c) ~~This section shall not apply to a committee following the~~
15 ~~election at which the measure is voted upon unless the committee~~
16 ~~makes contributions or expenditures to support or oppose the~~
17 ~~qualification or passage of another ballot measure.~~

18 SEC. 12. ~~Section 84202.5 of the Government Code is repealed.~~

19 SEC. 13. ~~Section 84202.7 of the Government Code is repealed.~~

20 SEC. 14. ~~Section 84202.8 is added to the Government Code,~~
21 ~~to read:~~

22 84202.8. ~~In addition to the campaign statements required by~~
23 ~~Sections 84200, 84200.1, and 84200.5, elected officers, candidates,~~
24 ~~and committees shall file a postelection campaign statement no~~
25 ~~later than the 30th day following an election in which the officer~~
26 ~~or candidate sought election or in which the officer, candidate, or~~
27 ~~committee supported or opposed a candidate or ballot measure.~~
28 ~~The postelection campaign statement shall cover the time period~~
29 ~~starting the day after the closing date of the last campaign statement~~
30 ~~required to be filed prior to the election and ending on the 20th~~
31 ~~day after that election.~~

32 SEC. 15. ~~Section 84202.9 is added to the Government Code,~~
33 ~~to read:~~

34 84202.9. (a) ~~During an even-numbered year, all candidates~~
35 ~~for elective office to be voted upon in the statewide primary~~
36 ~~election or statewide general election, their controlled committees,~~
37 ~~committees formed primarily to support or oppose an elected state~~
38 ~~officer or candidate for state elective office being voted upon at~~
39 ~~the election, all committees formed primarily to support or oppose~~
40 ~~a ballot measure to be voted upon at the statewide primary election~~

1 or statewide general election, and slate-mailer organizations shall
2 file a yearend campaign statement. The yearend statement shall
3 be filed by January 31 of the year following the year of the election
4 and shall cover the time period starting on the 21st day following
5 the election and ending December 31 of the year in which the
6 election occurred.

7 (b) A candidate whose name appeared on a statewide primary
8 election ballot and that candidate's controlled committees shall
9 not be required to file a yearend statement if that candidate does
10 not receive sufficient votes to advance to the statewide general
11 election, unless the candidate or the candidate's controlled
12 committees expend funds to support or oppose another candidate
13 or a ballot measure that will be voted on at the statewide general
14 election. Nothing in this section shall be construed to alter reporting
15 requirements imposed by Sections 84200 and 84200.1.

16 (c) For purposes of special elections and elections in
17 odd-numbered years, all candidates, their controlled committees,
18 and committees primarily formed to support or oppose a candidate
19 or ballot measure shall be required to file yearend campaign
20 statements on a date and for a time period determined by the
21 Commission by regulation.

22 SEC. 16. Section 84215 of the Government Code is amended
23 to read:

24 84215. All candidates and elected officers and their controlled
25 committees, except as provided in subdivisions (d) and (e), shall
26 file one copy of the campaign statements required by Section 84200
27 or 84200.1 with the elections official of the county in which the
28 candidate or elected official is domiciled, as defined in subdivision
29 (b) of Section 349 of the Elections Code. In addition, campaign
30 statements shall be filed at the following places:

31 (a) Statewide elected officers, including members of the State
32 Board of Equalization; Members of the Legislature; Supreme Court
33 justices, court of appeal justices, and superior court judges;
34 candidates for those offices and their controlled committees;
35 committees formed or existing primarily to support or oppose these
36 candidates, elected officers, justices and judges, or statewide
37 measures, or the qualification of state ballot measures; and all state
38 general purpose committees and filers not specified in subdivisions
39 (b) to (e), inclusive, shall file a campaign statement by online or
40 electronic means, as specified in Section 84605, and shall file the

1 original and one copy of the campaign statement in paper format
2 with the Secretary of State.

3 ~~(b) Elected officers in jurisdictions other than legislative~~
4 ~~districts, State Board of Equalization districts, or appellate court~~
5 ~~districts that contain parts of two or more counties, candidates for~~
6 ~~these offices, their controlled committees, and committees formed~~
7 ~~or existing primarily to support or oppose candidates or local~~
8 ~~measures to be voted upon in one of these jurisdictions shall file~~
9 ~~the original and one copy with the elections official of the county~~
10 ~~with the largest number of registered voters in the jurisdiction.~~

11 ~~(c) County elected officers, candidates for these offices, their~~
12 ~~controlled committees, committees formed or existing primarily~~
13 ~~to support or oppose candidates or local measures to be voted upon~~
14 ~~in any number of jurisdictions within one county, other than those~~
15 ~~specified in subdivision (d), and county general purpose~~
16 ~~committees shall file the original and one copy with the elections~~
17 ~~official of the county.~~

18 ~~(d) City elected officers, candidates for city office, their~~
19 ~~controlled committees, committees formed or existing primarily~~
20 ~~to support or oppose candidates or local measures to be voted upon~~
21 ~~in one city, and city general purpose committees shall file the~~
22 ~~original and one copy with the clerk of the city and are not required~~
23 ~~to file with the local elections official of the county in which they~~
24 ~~are domiciled.~~

25 ~~(e) Elected members of the Board of Administration of the~~
26 ~~Public Employees' Retirement System, elected members of the~~
27 ~~Teachers' Retirement Board, candidates for these offices, their~~
28 ~~controlled committees, and committees formed or existing~~
29 ~~primarily to support or oppose these candidates or elected members~~
30 ~~shall file the original and one copy with the Secretary of State, and~~
31 ~~a copy shall be filed at the relevant board's office in Sacramento.~~
32 ~~These elected officers, candidates, and committees need not file~~
33 ~~with the elections official of the county in which they are~~
34 ~~domiciled.~~

35 ~~(f) Notwithstanding any other provision of this section, a~~
36 ~~committee, candidate, or elected officer is not required to file more~~
37 ~~than the original and one copy, or one copy, of a campaign~~
38 ~~statement with any one county elections official or city clerk or~~
39 ~~with the Secretary of State.~~

1 ~~(g) If a committee is required to file campaign statements~~
2 ~~required by Section 84200, 84200.1, or 84200.5 in places~~
3 ~~designated in subdivisions (a) to (d), inclusive, it shall continue to~~
4 ~~file these statements in those places, in addition to any other places~~
5 ~~required by this title, until the end of the calendar year.~~

6 ~~SEC. 17. Section 84218 of the Government Code is amended~~
7 ~~to read:~~

8 ~~84218. (a) A slate mailer organization shall file monthly~~
9 ~~campaign statements, as specified in Section 84200.1. A slate~~
10 ~~mailer organization shall also file quarterly statements in an~~
11 ~~odd-numbered year, at the same time and covering the same periods~~
12 ~~identified in subdivision (a) of Section 84200.~~

13 ~~(b) A slate mailer organization shall file two copies of its~~
14 ~~campaign reports with the clerk of the county in which it is~~
15 ~~domiciled. The campaign report shall be filed by online~~
16 ~~transmission if the clerk of the county authorizes filing by online~~
17 ~~transmission. A slate mailer organization is domiciled at the address~~
18 ~~listed on its statement of organization unless it is domiciled outside~~
19 ~~California, in which case its domicile shall be deemed to be Los~~
20 ~~Angeles County for purposes of this section.~~

21 ~~In addition, slate mailer organizations shall file campaign reports~~
22 ~~as follows:~~

23 ~~(1) A slate mailer organization which produces one or more~~
24 ~~slate mailers supporting or opposing candidates or measures voted~~
25 ~~on in a state election, or in more than one county, shall file~~
26 ~~campaign reports in the same manner as state general purpose~~
27 ~~committees pursuant to subdivision (a) of Section 84215.~~

28 ~~(2) A slate mailer organization which produces one or more~~
29 ~~slate mailers supporting or opposing candidates or measures voted~~
30 ~~on in only one county, or in more than one jurisdiction within one~~
31 ~~county, shall file campaign reports in the same manner as county~~
32 ~~general purpose committees pursuant to subdivision (c) of Section~~
33 ~~84215.~~

34 ~~(3) A slate mailer organization which produces one or more~~
35 ~~slate mailers supporting or opposing candidates or measures voted~~
36 ~~on in only one city shall file campaign reports in the same manner~~
37 ~~as city general purpose committees pursuant to subdivision (d) of~~
38 ~~Section 84215.~~

39 ~~(4) Notwithstanding the above, no slate mailer organization~~
40 ~~shall be required to file more than the original and one copy, or~~

1 two copies, of a campaign report with any one county or city clerk
2 or with the Secretary of State.

3 ~~SEC. 18. Section 84252 of the Government Code is amended~~
4 ~~to read:~~

5 ~~84252. (a) A committee primarily formed to support or oppose~~
6 ~~a LAFCO proposal shall file all statements required under this~~
7 ~~chapter except that, in lieu of the statements required by Sections~~
8 ~~84200, 84200.1, and 84202.3, the committee shall file monthly~~
9 ~~campaign statements from the time circulation of a petition begins~~
10 ~~until a measure is placed on the ballot or, if a measure is not placed~~
11 ~~on the ballot, until the committee is terminated pursuant to Section~~
12 ~~84214. The committee shall file an original and one copy of each~~
13 ~~statement on the 15th day of each calendar month, covering the~~
14 ~~prior calendar month, with the clerk of the county in which the~~
15 ~~measure may be voted on. If the petition results in a measure that~~
16 ~~is placed on the ballot, the committee thereafter shall file campaign~~
17 ~~statements required by this chapter.~~

18 ~~(b) In addition to any other statements required by this chapter,~~
19 ~~a committee that makes independent expenditures in connection~~
20 ~~with a LAFCO proposal shall file statements pursuant to Section~~
21 ~~84203.5.~~

22 ~~SEC. 19.~~

23 ~~SEC. 3. Section 84305.5 of the Government Code is amended~~
24 ~~to read:~~

25 ~~84305.5. (a) No slate mailer organization or committee~~
26 ~~primarily formed to support or oppose one or more ballot measures~~
27 ~~shall send a slate mailer unless:~~

28 ~~(1) The name, street address, and city of the slate mailer~~
29 ~~organization or committee primarily formed to support or oppose~~
30 ~~one or more ballot measures are shown on the outside of each piece~~
31 ~~of slate mail and on at least one of the inserts included with each~~
32 ~~piece of slate mail in no less than 8-point roman type which shall~~
33 ~~be in a color or print which contrasts with the background so as~~
34 ~~to be easily legible. A post office box may be stated in lieu of a~~
35 ~~street address if the street address of the slate mailer organization~~
36 ~~or the committee primarily formed to support or oppose one or~~
37 ~~more ballot measure is a matter of public record with the Secretary~~
38 ~~of State's Political Reform Division.~~

39 ~~(2) At the top or bottom of the front side or surface of at least~~
40 ~~one insert or at the top or bottom of one side or surface of a~~

1 postcard or other self-mailer, there is a notice in at least 8-point
2 roman boldface type, which shall be in a color or print which
3 contrasts with the background so as to be easily legible, and in a
4 printed or drawn box and set apart from any other printed matter.
5 The notice shall consist of the following statement:

6
7
8 NOTICE TO VOTERS
9

10 THIS DOCUMENT WAS PREPARED BY (name of slate mailer
11 organization or committee primarily formed to support or oppose one or
12 more ballot measures), NOT AN OFFICIAL POLITICAL PARTY
13 ORGANIZATION. Appearance in this mailer does not necessarily imply
14 endorsement of others appearing in this mailer, nor does it imply
15 endorsement of, or opposition to, any issues set forth in this mailer. Each
16 item designated by an * has been paid for and authorized by the candidate
17 or ballot measure indicated. Each item designated by an @ has been paid
18 for by a person other than the candidate or ballot measure.
19

20
21 (3) The name, street address, city, and Internet Web site address,
22 if any, of the slate mailer organization or committee primarily
23 formed to support or oppose one or more ballot measures as
24 required by paragraph (1) and the notice required by paragraph
25 (2) may appear on the same side or surface of an insert.

26 (4) Each candidate and each ballot measure that has paid to
27 appear in the slate mailer is designated by an *. Each candidate
28 and ballot measure whose appearance has been paid for by a third
29 party is designated by an @. Any candidate or ballot measure that
30 has not paid to appear in the slate mailer, and whose appearance
31 has not been paid for by a third party, is not designated by an * or
32 @.

33 The * and @ required by this subdivision shall be of the same
34 type size, type style, color or contrast, and legibility as is used for
35 the name of the candidate or the ballot measure name or number
36 and position advocated to which the * or @ designation applies
37 except that in no case shall the * and @ be required to be larger
38 than 10-point boldface type. The designation shall immediately
39 follow the name of the candidate, or the name or number and
40 position advocated on the ballot measure where the designation

1 appears in the slate of candidates and measures. If there is no slate
2 listing, the designation shall appear at least once in at least 8-point
3 boldface type, immediately following the name of the candidate,
4 or the name or number and position advocated on the ballot
5 measure.

6 (5) The name of any candidate appearing in the slate mailer
7 who is a member of a political party differing from the political
8 party which the mailer appears by representation or indicia to
9 represent is accompanied, immediately below the name, by the
10 party designation of the candidate, in no less than 9-point roman
11 type which shall be in a color or print that contrasts with the
12 background so as to be easily legible. The designation shall not
13 be required in the case of candidates for nonpartisan office.

14 (6) If a slate mailer is produced entirely in a language other than
15 English, the notice to voters required pursuant to paragraph (2)
16 shall be produced in that language. If a substantial portion of a
17 slate mailer, as determined by the Commission by regulation, is
18 in a language other than English, the notice to voters required
19 pursuant to paragraph (2) shall be produced in both English and
20 the other language.

21 (b) For purposes of the designations required by paragraph (4)
22 of subdivision (a), the payment of any sum made reportable by
23 subdivision (c) of Section 84219 by or at the behest of a candidate
24 or committee, whose name or position appears in the mailer, to
25 the slate mailer organization or committee primarily formed to
26 support or oppose one or more ballot measures, shall constitute a
27 payment to appear, requiring the * designation. The payment shall
28 also be deemed to constitute authorization to appear in the mailer.

29 ~~SEC. 20.~~

30 *SEC. 4.* Section 84503.5 is added to the Government Code, to
31 read:

32 84503.5. (a) A television or video broadcast advertisement
33 that supports or opposes a candidate or solicits contributions in
34 support of that purpose shall, if the advertisement is authorized by
35 a candidate or an agent of the candidate, include a statement in
36 which the candidate identifies himself or herself and states that
37 the candidate has approved the message. The candidate statement
38 shall be made using an unobscured, full-screen video of the
39 candidate making the statement, or by using an unobscured,
40 full-screen, and clearly identifiable photographic image of the

1 candidate that is displayed during an audio voiceover of the
2 candidate reading the statement.

3 (b) An audio broadcast advertisement that supports or opposes
4 a candidate or solicits contributions in support of that purpose
5 shall, if the advertisement is authorized by a candidate or an agent
6 of the candidate, include an audio statement in which the candidate
7 identifies himself or herself and states that the candidate has
8 approved the message.

9 ~~SEC. 21.~~

10 *SEC. 5.* Section 84510 of the Government Code is amended
11 to read:

12 84510. (a) In addition to the remedies provided for in Chapter
13 11 (commencing with Section 91000) of this title, any person who
14 violates this article is liable in a civil or administrative action
15 brought by the commission or any person for a fine up to six times
16 the cost of the advertisement, including placement costs.

17 (b) The remedies provided in subdivision (a) shall also apply
18 to any person who purposely causes any other person to violate
19 any provision of this article or who aids and abets any other person
20 in a violation.

21 (c) If a judgment is entered against the defendant or defendants
22 in an action brought under this section, the plaintiff shall receive
23 50 percent of the amount recovered. The remaining 50 percent
24 shall be deposited in the General Fund of the state. In an action
25 brought by a local civil prosecutor, 50 percent shall be deposited
26 in the account of the agency bringing the action and 50 percent
27 shall be paid to the General Fund of the state.

28 ~~SEC. 22.~~

29 *SEC. 6.* Section 85701 of the Government Code is amended
30 to read:

31 85701. Any candidate or committee that receives a contribution
32 in violation of Section 84301 shall pay to the General Fund of the
33 state the amount of the contribution and pay to the Political
34 Disclosure, Accountability, Transparency, and Access Fund a fine
35 in the amount of 15 percent of the contribution.

36 ~~SEC. 23.~~

37 *SEC. 7.* Section 85704 of the Government Code is amended
38 to read:

39 85704. A person may not make any contribution to a committee
40 on the condition or with the agreement that it will be contributed

1 to any particular candidate or ballot measure committee unless the
2 contribution is fully disclosed pursuant to Section 84302. A person
3 who makes a contribution to a committee that violates this section
4 shall pay to the General Fund of the state the amount of the
5 contribution and pay to the Political Disclosure, Accountability,
6 Transparency, and Access Fund a fine in the amount of 15 percent
7 of the contribution.

8 ~~SEC. 24.— Section 90002 of the Government Code is amended~~
9 ~~to read:~~

10 ~~90002. (a) Audits and investigations of lobbying firms and~~
11 ~~lobbyist employers shall be performed on a biennial basis and shall~~
12 ~~cover reports filed during a period of two years.~~

13 ~~(b) If a lobbying firm or lobbyist employer keeps a separate~~
14 ~~account for all receipts and payments for which reporting is~~
15 ~~required by this chapter, the requirement of an audit under~~
16 ~~subdivision (a) of Section 90001 shall be satisfied by an audit of~~
17 ~~that account and the supporting documentation required to be~~
18 ~~maintained by Section 86110.~~

19 ~~(c) No audit or investigation of any candidate, controlled~~
20 ~~committee, or committee primarily supporting or opposing a~~
21 ~~candidate or a measure in connection with a report or statement~~
22 ~~required by Chapter 4 of this title, shall begin until after the last~~
23 ~~date for filing the first report or statement following the general,~~
24 ~~runoff or special election for the office for which the candidate~~
25 ~~ran, or following the election at which the measure was adopted~~
26 ~~or defeated, except that audits and investigations of statewide~~
27 ~~candidates, their controlled committees, and committees primarily~~
28 ~~supporting or opposing those statewide candidates who were~~
29 ~~defeated in the primary election and who are not required to file~~
30 ~~statements for the general election may begin after the last date~~
31 ~~for filing the first report or statement following the primary~~
32 ~~election. When the campaign statements or reports of a candidate,~~
33 ~~controlled committee, or a committee primarily supporting or~~
34 ~~opposing a candidate are audited and investigated pursuant to~~
35 ~~Section 90001, the audit and investigation shall cover all campaign~~
36 ~~statements and reports filed for the primary and general or special~~
37 ~~or runoff elections and any previous campaign statement or report~~
38 ~~filed pursuant to Section 84200, 84200.1, or 84200.5 since the last~~
39 ~~election for that office, but shall exclude any statements or reports~~
40 ~~which have previously been audited pursuant to Section 90001 or~~

~~90003. When the campaign statements or reports of a committee primarily supporting or opposing a measure are audited and investigated, the audit and investigation shall cover all campaign statements and reports from the beginning date of the first campaign statement filed by the committee in connection with the measure. For all other committees, the audit and investigation shall cover all campaign statements filed during the previous two calendar years.~~

~~SEC. 25.~~

SEC. 8. Section 90003 of the Government Code is amended to read:

90003. (a) In addition to the audits and investigations required by Section 90001, the Franchise Tax Board and the Commission may make investigations and audits with respect to any reports or statements required by Chapter 4 (commencing with Section 84100), Chapter 5 (commencing with Section 85100), or Chapter 6 (commencing with Section 86100).

(b) (1) Nothing in this chapter shall be construed to prohibit the Commission from undertaking any audit authorized by this section prior to the date of the election or prior to the date upon which the report or statement is required to be filed. A candidate or committee shall, during the audit, make all relevant records available for immediate review by the Commission.

(2) A person who is subject to an audit authorized by this section may contest the performance of the audit or an order issued by the Commission as a result of an audit by seeking a writ of mandate. Venue for the proceeding shall be exclusively in the County of Sacramento. The action shall be given priority over all other civil matters.

(3) In addition to any other remedies available to the Commission, including injunctive relief pursuant to Section 91003, the Commission may seek an injunction pursuant to Title 7 (commencing with Section 501) of Part 2 of the Code of Civil Procedure to compel a person who is subject to an audit authorized by this section to cooperate with the Commission in the performance of the audit or to compel compliance with an order of the Commission resulting from the audit. Notwithstanding any other law, an appeal of an injunction issued in favor of the Commission shall not result in a mandatory stay pending the resolution of the appeal. A stay of an injunction pending resolution

1 of the appeal may be ordered at the discretion of the court issuing
2 the injunction.

3 *SEC. 9. Section 91000 of the Government Code is amended to*
4 *read:*

5 91000. (a) Any person who knowingly or willfully violates
6 any provision of this title is guilty of a misdemeanor.

7 (b) In addition to other penalties provided by law, a fine of up
8 to the greater of ~~ten~~ *fifteen* thousand dollars ~~(\$10,000)~~ *(\$15,000)*
9 or ~~three~~ *five* times the amount the person failed to report properly
10 or unlawfully contributed, expended, gave or received may be
11 imposed upon conviction for each violation.

12 (c) Prosecution for violation of this title must be commenced
13 within four years after the date on which the violation occurred.

14 *SEC. 10. Section 91005 of the Government Code is amended*
15 *to read:*

16 91005. (a) Any person who makes or receives a contribution,
17 gift, or expenditure in violation of Section 84300, 84304, 86203,
18 or 86204 is liable in a civil action brought by the civil prosecutor
19 or by a person residing within the jurisdiction for an amount up to
20 one thousand *five hundred* dollars ~~(\$1,000)~~ *(\$1,500)* or ~~three~~ *five*
21 times the amount of the unlawful contribution, gift, or expenditure,
22 whichever amount is greater.

23 (b) Any designated employee or public official specified in
24 Section 87200, except an elected state officer, who realizes an
25 economic benefit as a result of a violation of Section 87100 or of
26 a disqualification provision of a conflict of interest code is liable
27 in a civil action brought by the civil prosecutor or by a person
28 residing within the jurisdiction for an amount up to three times the
29 value of the benefit.

30 *SEC. 11. Section 91005.5 of the Government Code is amended*
31 *to read:*

32 91005.5. Any person who violates any provision of this title,
33 except Sections 84305, 84307, and 89001, for which no specific
34 civil penalty is provided, shall be liable in a civil action brought
35 by the commission or the district attorney pursuant to subdivision
36 (b) of Section 91001, or the elected city attorney pursuant to
37 Section 91001.5, for an amount up to ~~five~~ *seven* thousand dollars
38 ~~(\$5,000)~~ *(\$7,000)* per violation.

39 No civil action alleging a violation of this title may be filed
40 against a person pursuant to this section if the criminal prosecutor

1 is maintaining a criminal action against that person pursuant to
2 Section 91000.

3 The provisions of this section shall be applicable only as to
4 violations occurring after the effective date of this section.

5 ~~SEC. 26.~~

6 *SEC. 12.* Section 91013 of the Government Code is amended
7 to read:

8 91013. (a) If a person files an original statement or report after
9 the applicable deadline imposed by this title, he or she shall, in
10 addition to any other penalties or remedies established by this title,
11 be liable in the amount of thirty dollars (\$30) per day after the
12 deadline until the statement or report is filed, to the officer with
13 whom the statement or report is required to be filed. Liability need
14 not be enforced by the filing officer if, on an impartial basis, he
15 or she determines that the late filing was not willful and that
16 enforcement of the liability will not further the purposes of this
17 title, except that no liability shall be waived if a statement or report
18 is not filed within 30 days for a statement of economic interest,
19 other than a candidate's statement filed pursuant to Section 87201,
20 five days for a campaign statement required to be filed 12 days
21 before an election, and 10 days for all other statements or reports,
22 after the filing officer has sent specific written notice of the filing
23 requirement.

24 (b) If a person files a copy of a statement or report after the
25 applicable deadline imposed by this title, he or she shall, in addition
26 to any other penalties or remedies established by this title, be liable
27 in the amount of thirty dollars (\$30) per day, starting 10 days, or
28 five days in the case of a campaign statement required to be filed
29 12 days before an election, after the filing officer has sent specific
30 written notice of the filing requirement and until the statement or
31 report is filed.

32 (c) The filing officer shall deposit any funds received under this
33 section into the general fund of the jurisdiction of which he or she
34 is an officer. No liability under this section shall exceed 150 percent
35 of the cumulative amount stated in the late statement or report, or
36 one thousand dollars (\$1,000), whichever is greater.

37 ~~SEC. 27.~~

38 *SEC. 13.* No reimbursement is required by this act pursuant to
39 Section 6 of Article XIII B of the California Constitution because
40 the only costs that may be incurred by a local agency or school

1 district will be incurred because this act creates a new crime or
2 infraction, eliminates a crime or infraction, or changes the penalty
3 for a crime or infraction, within the meaning of Section 17556 of
4 the Government Code, or changes the definition of a crime within
5 the meaning of Section 6 of Article XIII B of the California
6 Constitution.

7 ~~SEC. 28.~~

8 *SEC. 14.* The Legislature finds and declares that this bill
9 furthers the purposes of the Political Reform Act of 1974 within
10 the meaning of subdivision (a) of Section 81012 of the Government
11 Code.

O